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Foreign CROPS AND MARKETS



VOLUME 59

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U.S. FOREIGN TRADE IN AGRICULTURAL
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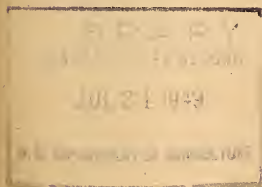
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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

FOR RELEASE

MONDAY

JULY 18, 1949



L A T E N E W S

Starting July 10, milk again will be rationed in England, according to an announcement made by the Ministry of Food. Non-priority consumers will receive 3 pints per week and catering establishments will be allowed 9 pints for every 100 hot beverages served. The reason given for the return to rationing was the seasonal decline in production due to recent hot weather.

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The Government of India abolished the export duty on mill-made cotton cloth, effective June 1, 1949. This duty was imposed on March 1, 1948 at 25 percent ad valorem and was reduced to 10 percent November 9, 1948. The goal for export of cotton cloth in 1948 was set at 750 million yards but actual exports amounted to only 322.3 million yards largely because of relatively high prices.

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The 1949 cotton acreage in Turkey is officially estimated at 737,000 acres representing an increase of 15 percent over the 1948 estimate of 669,000 acres. A goal of 25 to 30 percent above the 1948 figure was not attained because of the late arrival of spring weather and insufficient rainfall at planting time. The 1948 crop was estimated at 235,000 bales when yields per acre averaged about 64 percent of the 5-year prewar average.

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Exports during the 6 months, October-March 1948-49, totaled 92,000 bales, including 24,000 to Germany, 19,000 to Czechoslovakia, 13,000 to France, 10,000 to Sweden, 9,000 to Poland and 7,000 to The Netherlands. Cotton prices have ranged in recent weeks between 244 and 250 kurus per kilogram (39.5 to 40.5 cents a pound). This factor was a stimulant to higher acreage this year.

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Cotton planting in some parts of Bombay Province is being delayed because of insufficient rainfall. Some spinning mills in Ahmedabad and Sholapur are reported to be closed for lack of raw cotton.

FOREIGN CROPS AND MARKETS

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INDIA CASHEW NUT FORECAST CONSIDERABLY BELOW AVERAGE

The 1949 preliminary forecast of the cashew nut crop in India ^{1/} is 28,000 short tons, unshelled basis, compared with 40,400 tons (revised) in 1946 and 26,900 tons in 1947. The forecast is only 60 percent of the 5-year (1943-47) average of 46,500 tons and 57 percent of the 10-year (1938-47) average of 48,700 tons.

INDIA: Cashew nuts, estimated production,
1949, with comparisons, revised

(Rounded to nearest 100 short tons)

Year	UNSHELLED			
	Bombay	South		
	district	India	Total	
	Short tons	Short tons	Short tons	
<u>Average</u>				
1943-47	10,400	36,200	46,600	
<u>Annual</u>				
1943	6,700	31,100	37,800	
1944	5,600	28,000	33,600	
1945	12,600	46,200	58,800	
1946	15,800	58,800	75,600	
1947	10,100	16,800	26,900	
1948 ^{1/}	6,800	33,600	40,400	
1949 ^{1/} ^{2/}	3,500	24,500	28,000	

^{1/} Preliminary.

^{2/} Includes Goa - separate estimate not available at this time.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U. S. Foreign Service officers, results of office research, and other information.

The 1949 growing season has been unsatisfactory in both the Bombay (including Goa) and Madras districts. During the blossoming period the trees were heavily laden with flowers, which promised a bumper crop, but

^{1/} Includes Goa for 1949, for which a separate estimate is not available at this time.

a drought set in about the middle of February and continued into April. There was a heavy drop of immature fruit which cut down the prospects for a bumper crop. This was the third successive year in which a drought was experienced during the first part of the year. The first blossoms appear in December and the fruit is ready for harvest in February. The February harvest usually accounts for half of the year's crop. The second blossoming, which takes place in February, also was affected by the drought. The final blossoming occurs in April and the nuts are harvested in June. Generally, the third crop is small and does not contribute materially to the available supply. The first and second crops usually supply most of the Indian-grown nuts that enter the export trade. The south India district this year is expected to produce about 24,500 short tons, unshelled basis, of the total and the balance will be in the Bombay district, including Goa.

It is reported that the African harvest was large and that imports of unshelled cashews into India for processing would total about 48,000 short tons, unshelled basis. Imports of African nuts into south India ports from December to March totaled about 29,000 short tons, unshelled basis, and to the Bombay district about 5,200 tons. These African nuts are reported to cost \$135 c.i.f. Indian ports.

The stock position at this time is not known. It has been reported that United States buyers covered a good portion of their requirements in the early months of this year at about 48 cents c.f. New York for standard wholes. The demand from the United States slackened in March and from then onward prices dropped to 46 cents with pieces as low as 21 cents.

Exports of cashews from south India during the first quarter of 1949 totaled 3,128 short tons of shelled nuts, and from the Bombay district for the same period, 119 tons. The United States was the destination for 3,020 tons from south India and 14 tons from Bombay. According to declared export data supplied by the American Consulate in Madras, 8,917 tons of shelled nuts were shipped to the United States from January 1 to June 30, 1949. During the same period 585 tons were declared for shipment to the United States in the Bombay Consular district. The total so declared, 9,502 short tons, is about equal to the 5-year (1943-47) average imports, but is still below postwar imports. The indications are that ample supplies are available to meet all normal export requirements and that United States imports will be about normal.

UNITED STATES: Imports of cashew nuts,
1947-48 with comparisons
(crop year - September, August)

Year	SHELLED			
	Brazil	India	Others	Total
	Short tons	Short tons	Short tons	Short tons
<u>Average</u>				
1943-47.....	289	11,564	335	12,188
<u>Annual</u>				
1942-43.....	0	3,741	65	3,806
1943-44.....	110	3,619	309	4,038
1944-45.....	374	10,239	204	10,817
1945-46.....	303	13,892	292	14,487
1946-47.....	309	15,323	383	16,015
1947-48.....	351	14,749	485	15,585
1948-49 1/ ...	50	13,857	315	14,222

1/ 9 months, September 1948 through May 1949

Compiled from official records of the Bureau of the Census.

U. S. FOREIGN TRADE IN AGRICULTURAL COMMODITIES---MAY, 1949

Exports of agricultural commodities during May, 1949 were valued at \$342,000,000, compared with \$275,000,000 in May, 1948. The most important export commodity was wheat, of which 40,617,000 bushels with a value of \$103,000,000 were exported. This was about double the 1948 exports. Cotton also was doubled, with 484,000 bales and value of \$80,000,000 in May, 1949. On the other hand, flue-cured tobacco was cut 60 percent.

Imports of agricultural commodities were valued at \$216,000,000 in May, 1949, compared to \$237,000,000 in May, 1948. The leading commodity was coffee, with 194,000,000 pounds and value of \$149,000,000. Sugar was second with 408,000 tons, valued at \$40,000,000. Imports of wool and cacao were much lower than the year earlier.

(This summary of foreign trade in agricultural commodities is published in this form for the first time in this issue of Foreign Crops and Markets. It is planned to publish a similar monthly summary in the third weekly issue of each month. More detailed information appears in the monthly publication U.S. Foreign Trade in Agricultural Products, issued by the Office of Foreign Agricultural Relations, U. S. Department of Agriculture, Washington, 25, D.C., and distributed free to persons having need of it.)

(See tables on following pages)

UNITED STATES: Summary of exports of selected
agricultural commodities during
May 1948 and 1949

Commodity exported	Unit	May			
		Quantity		Value	
		1948	1949	1948	1949
				1,000	1,000
ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Butter.....	Lb.	763	302	687	202
Cheese.....	Lb.	2,668	21,812	1,231	7,542
Milk, condensed.....	Lb.	10,222	7,657	1,987	1,619
Milk, whole dried.....	Lb.	13,554	10,014	7,137	5,036
Nonfat dry milk solids.....	Lb.	16,336	16,226	2,592	2,359
Milk, evaporated.....	Lb.	32,766	22,897	4,759	2,987
Eggs, dried.....	Lb.	8,303	32	3,497	33
Beef and veal, total 1/.....	Lb.	712	1,302	294	462
Pork, total 1/.....	Lb.	2,804	5,855	1,243	1,559
Horse meat.....	Lb.	2,921	2,463	485	385
Lard (incl. neutral).....	Lb.	20,929	63,282	5,345	8,719
Tallow, edible and inedible.....	Lb.	4,796	45,984	929	4,019
VEGETABLE PRODUCTS:					
Cotton, excl. linters (480 lb.).....	Bale	211	484	40,168	80,213
Apples, fresh.....	Lb.	4,905	2,697	339	234
Grapefruit, fresh.....	Lb.	14,661	11,553	292	582
Oranges and tangerines, fresh.....	Lb.	56,767	40,332	2,233	2,444
Pears, fresh.....	Lb.	654	102	58	14
Prunes, dried.....	Lb.	14,145	1,663	1,409	238
Raisins and currants.....	Lb.	38,699	1,925	6,932	213
Fruits, canned.....	Lb.	7,786	6,131	1,096	933
Fruit juices.....	Gal.	2,823	1,474	1,569	1,279
Barley, grain (48 lb.).....	Bu.	281	1,344	693	1,795
Barley malt (34 lb.).....	Bu.	825	292	2,787	702
Corn, grain (56 lb.).....	Bu.	391	8,170	950	12,910
Grain sorghums (56 lb.).....	Bu.	360	5,313	990	8,157
Rice, milled, brown, etc.....	Lb.	138,296	104,393	15,519	8,165
Wheat, grain (60 lb.).....	Bu.	19,707	40,617	58,512	103,046
Flour, wholly of U.S. wheat (100 lb.).....	Bag	5,791	2,259	39,471	11,121
Flour, other (100 lb.).....	Bag	15	349	118	2,069
Hops.....	Lb.	91	815	75	663
Peanuts, shelled.....	Lb.	19,352	17,740	3,325	1,920
Soybeans (except canned).....	Lb.	20,880	81,935	1,771	3,642
Soybean oil, crude and refined.....	Lb.	11,112	75,689	2,702	11,124
Soya flour.....	Lb.	68,430	2,991	4,748	117
Bright flue-cured tobacco.....	Lb.	22,804	7,727	11,651	4,371
Other leaf tobacco.....	Lb.	9,004	11,804	4,149	7,068
Field and garden seeds.....	Lb.	2,971	2,605	687	578
Beans, dried.....	Lb.	27,742	10,153	3,268	975
Peas, dried.....	Lb.	1,819	9,456	160	620
Potatoes.....	Lb.	29,570	17,164	669	531
Vegetables, canned.....	Lb.	6,007	4,760	789	797
Total above.....				237,316	301,443
Food exported for relief, etc.....				2,996	1,394
Other agricultural products.....				34,786	39,345
Total agricultural.....				275,098	342,182
Total all commodities.....				1,090,722	1,067,205

1/ Product weight. Compiled from official records of the Bureau of the Census.

UNITED STATES: Summary of imports for consumption of
selected agricultural commodities during
May 1948 and 1949

Commodity imported	Unit	May			
		Quantity		Value	
		1948	1949	1948	1949
SUPPLEMENTARY				1,000	1,000
ANIMALS AND ANIMAL PRODUCTS:		Thousands	Thousands	dollars	dollars
Cattle, dutiable	No.	10	24	1,395	1,390
Cattle, free (for breeding)	No.	5	3	1,109	484
Casein and lactarene	Lb.	2,853	1,003	640	164
Cheese	Lb.	2,010	2,466	923	1,284
Hides and skins	Lb.	17,661	14,600	6,870	6,786
Beef canned, incl. corned	Lb.	6,218	4,026	1,937	1,280
Wool, unmf'd, excl. free, etc.	Lb.	29,746	11,062	14,693	6,894
VEGETABLE PRODUCTS:					
Cotton, unmf'd, excl. linters (480 lb.)	Bale	8	3	711	315
Jute and jute butts (2,240 lb.)	Ton	12	3	4,069	1,350
Apples, green or ripe	Bu.	4	79	11	261
Olives in brine	Gal.	1,271	573	2,127	1,367
Pineapples, prep. and preserved	Lb.	8,017	8,036	966	888
Barley malt	Lb.	1,413	8,212	112	401
Hops	Lb.	2,172	516	2,224	577
Almonds, shelled	Lb.	1,403	201	523	76
Brazil or cream nuts, not shelled	Lb.	460	2,065	41	194
Cashew nuts	Lb.	2,527	4,031	941	1,486
Coconut meat, shredded, etc.	Lb.	8,321	13,789	2,435	2,291
Castor beans	Lb.	14,262	12,565	1,087	610
Copra	Lb.	55,287	65,311	7,312	4,866
Flaxseed (56 lb.)	Bu.	477	10	2,862	52
Coconut oil	Lb.	6,428	7,852	1,429	1,042
Palm oil	Lb.	8,793	2,056	1,475	253
Tung oil	Lb.	7,446	1,873	1,644	322
Sugar, excl. beet (2,000 lb.)	Ton	290	408	30,255	39,770
Molasses, unfit for human consumption	Gal.	46,122	36,871	8,754	1,517
Cigarette leaf tobacco	Lb.	5,278	5,733	4,216	4,130
Other leaf tobacco	Lb.	1,171	1,239	1,901	2,064
Potatoes, white	Lb.	2,673	46,250	89	1,081
Tomatoes, fresh	Lb.	11,891	13,819	1,166	1,031
COMPLEMENTARY					
Wool, unmf'd, free in bond	Lb.	18,957	11,056	5,576	3,654
VEGETABLE PRODUCTS:					
Bananas	Bunch	4,734	5,012	4,051	4,380
Coffee (ex. into Puerto Rico)	Lb.	211,908	194,040	52,703	48,683
Cocoa or cacao beans	Lb.	54,226	55,917	18,040	9,634
Tea	Lb.	8,500	7,331	4,539	3,396
Spices	Lb.	6,779	5,546	2,153	3,108
Sisal and henequen (2,240 lb.)	Ton	12	18	3,736	5,952
Rubber, crude	Lb.	91,081	119,692	16,325	19,933
Total above commodities				211,040	182,966
Other agricultural commodities				25,860	33,048
Total agricultural				236,900	216,014
Total all commodities				543,650	531,847

Compiled from official records of the Bureau of the Census.

COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDS

U. S. RICE EXPORTS
CONTINUE HEAVY

United States rice exports in May amounted to 105 million pounds compared with 117 million exported in the preceding month. Exports of 843 million pounds during the August-May period of the current marketing year were 3 percent smaller than those during the corresponding months of the year before.

Nearly 70 percent of the May exports went to the Far Eastern countries, the Philippines and China. The principal consignment to Europe was 7 million pounds to Austria. Nearly 4 million pounds was exported also to Venezuela (included in table in "Other countries"). Shipments of 20 million pounds to Cuba comprised approximately one-fifths of the exports from the United States.

RICE: United States exports to specified countries,
May 1949, with comparisons 1/

Continent and country	August-July 1937-38 to 1941-42	August-May 1947-48	August-May 1947-48	August-May 1948-49	May 1948	May 1949 2/
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Switzerland.....	4	3/	3/	2	0	1
Austria.....	4/	9	9	18	3/	7
Greece.....	6	9	8	18	3/	3/
Belgium and Luxemburg.....	7	3/	3/	5	0	3/
Total Europe...	43	22	21	47	1	8
Cuba.....	275	527	508	455	99	20
Canada.....	19	54	54	39	2	1
Br. W. Indies....	3/	11	11	7	1	3/
Philippines.....	3/	3/	3/	82	5/	56
China.....	5/	203	202	81	37	15
Indonesia.....	5/	1	1	86	0	0
Korea.....	5/	54	49	5/	0	0
Other countries...	21	23	23	46	3/	5
Total.....	358	895	869	843	140	105

1/ Milled rice, including brown, broken, screenings, and brewers rice and rough rice converted to terms of milled at 65 percent. 2/ Preliminary.
3/ Less than 500,000 pounds. 4/ Not separately classified. 5/ If any, included in "Other countries".

TOBACCOPHILIPPINE 1948-49 TOBACCO CROP ESTIMATE LOWERED;
OUTPUT OF TOBACCO PRODUCTS DECLINES

Philippine leaf tobacco production for the 1948-49 season is now unofficially estimated at around 48 million pounds, which represents a reduction of about 13 percent from an earlier estimate of 55 million pounds, according to the American Embassy in Manila. The country's factory output of most tobacco products has declined in recent months.

The estimate of 48 million pounds is about 25 percent above the 38 million pounds harvested in 1947-48 but still 35 percent below the prewar, 1935-39, annual average of 75 million pounds. The estimate of the 1948-49 crop has been reduced primarily because of a prolonged drought in the Cagayan Valley during the growing season. The Cagayan commercial crop is now estimated at about 15 million pounds, as compared with the earlier anticipated production of about 22 million pounds.

With the exception of cigars, the factory output of tobacco products in the Philippines in 1949 is well below that of the first quarter of 1948. Cigarette output for the first 3 months of 1949 totaled 418 million pieces, as compared with 475 million pieces during the corresponding period in 1948. The output of other tobacco products during the 3 months ending March 31, 1949, follows: smoking tobacco, 126,500 pounds; chewing tobacco, 82,500 pounds and cigars 25.4 million pieces. During the first 3 months of 1948 the output of smoking tobacco was 131,600 pounds, chewing tobacco 88,550 pounds and cigars 21.6 million pieces. Competition from the cheaper brands of American cigarettes and from local products placed in the market without the payment of taxes appears to be the principal reason for the decline in factory production.

NETHERLANDS DERATIONS
TOBACCO PRODUCTS

The rationing of tobacco products was ended in the Netherlands on July 1, 1949, according to the American Embassy at the Hague.

Prior to the derationing, the monthly ration was 200 cigarettes plus a limited number of cigars for men and 80 cigarettes for women. Consumption of tobacco products, which has been well below prewar levels, is expected to increase, but due to relatively high retail prices for all products total consumption probably will show only a very moderate gain.

Retail prices of cigarettes range from 0.4 guilder (15.2 cents) to 1 guilder (38 cents) per package of 20 cigarettes. The average retail price is about 0.7 guilder (26.6 cents) per package of 20. Cigars retail from about 0.08 guilder (3 cents) to 0.3 guilder (11.4 cents) and average about 0.2 guilder (7.6 cents) per cigar. Retail prices of cigarillos range from 0.08 guilder (3 cents) to 0.13 guilder (4.9 cents) and average about 0.125 guilder (4.7 cents) each.

The high prices of tobacco products at the retail level is primarily due to the heavy taxes levied on these products. The average percentage

of the retail price represented by revenue to the government for the various tobacco products is as follows: cigarettes, 65.3 percent; cigars, 30.3 percent, cigarillos, 36.1 percent; sprietjes, 36.2 percent; and smoking tobacco, 44.6 percent.

Excise duties account for most of the taxes levied on tobacco products. The percentage of the retail price of the various products represented by this tax alone is as follows: cigarettes, 62 percent; cigars, 27 percent; cigarillos, 33 percent; sprietjes, 33 percent; and smoking tobacco, 40 percent.

AUSTRIA REDUCES RETAIL TOBACCO PRICES

Austria's main parliamentary committee approved price reductions for certain of the Tobacco Monopoly's manufactured products effective June 27, 1949, according to the American Legation in Vienna.

The price reductions on June 27 applied to 6 brands of cigarettes, 8 brands of cigars, 5 brands of pipe tobacco and 1 brand of chewing tobacco manufactured by the Monopoly. The reduction in prices for the brands affected amounted to about 15 percent for cigarettes, 31 percent for cigars, 32 percent for pipe tobacco and 50 percent for chewing tobacco.

Retail price changes for the cigarette brands affected were as follows: Memphis, from 8 schillings (80 cents) to 7 schillings (70 cents), Sport and Austria, 2 from 7 schillings (70 cents) to 6 schillings (60 cents), Austria C and Donau, from 6 schillings (60 cents) to 5 schillings (50 cents) and Austria D from 4 schillings (40 cents) to 3.2 schillings (32 cents) per package of 20 cigarettes. Cigar price changes on a per piece basis ranged from a reduction from 0.8 schillings (8 cents) to 0.6 schillings (6 cents) for the Senor brand to a reduction from 5 schillings (50 cents) to 4 schillings (40 cents) for the Coronas brand.

Pipe tobacco retail price changes on a per package of 50 grams basis ranged from a reduction from 4 schillings (40 cents) to 3.5 schillings (35 cents) for the Landtabak brand to a reduction from 12 schillings (\$1.20) to 8 schillings (80 cents) for the Caballero brand. Nordtiroller, the only brand of chewing tobacco affected by the price changes, was reduced from 24 schillings (\$2.40) to 12 schillings (\$1.20) per package of 250 grams.

TROPICAL PRODUCTS

SPANISH GUINEA'S 1948-49 CACAO PRODUCTION DOWN

Spanish Guinea's 1948-49 cacao crop now is estimated at about 31 million pounds, compared with 35 million pounds in 1947-48 and an annual average production of approximately 25 million pounds in the prewar period, 1935-39, according to the Consulate General in Barcelona.

Spain ordinarily consumes the entire cacao output of Spanish Guinea (Fernando Po and Rio Muni). Because of its urgent need for foreign exchange, Spain permitted Spanish Guinea to export to the United States about 1.5 million pounds of cacao in 1947 and 5.1 million pounds in 1948. Before it was dissolved in June, the IETC Committee on Cocoa had allocated about 6.7 million pounds of Spanish Guinea's 1948-49 crop of cacao beans to the United States and about 2.2 million pounds to Italy. However, the United States had not imported any cacao beans from Spanish Guinea in 1949 as of May 1, and trade sources reported that all exports of cacao from Spanish Guinea were being shipped to Spain for consumption.

Fernando Po produces about four-fifths of the total cacao crop in Spanish Guinea. Approximately 75,000 acres of land containing about 15 million trees are now devoted to cacao in Fernando Po, and it is estimated that more than 150,000 additional acres of suitable land are available for the expansion of cacao production. New areas are now being planted, but not on a big scale. The high cost and scarcity of labor and the shortage of capital are the principal factors retarding the development of the cacao industry in Fernando Po.

JAPAN'S TEA PRODUCTION INCREASES

In 1948, Japan produced about 73 million pounds of tea, compared with 51 million pounds in 1947, 46 million pounds in 1946, and an annual average prewar, 1935-39, production of 115 million pounds, according to General Headquarters, SCAP, Tokyo. The area planted in tea increased from 59,000 acres in 1946 to 64,000 acres in 1947 and to a postwar high of 67,000 acres in 1948. At the same time, the yield per acre increased from 785 pounds in 1946 to 792 pounds in 1947 to 1,087 pounds in 1948. The annual average prewar area in tea amounted to 98,000 acres with an average yield of 1,169 pounds per acre.

JAPAN: Area, yield, and production of tea in 1948,
with comparisons

Year	Area	Yield	Production
	1,000	Pounds	1,000
	<u>acres</u>	<u>per acre</u>	<u>pounds</u>
Average			
1935-39	98	1,169	114,600
1946 1/	59	785	46,300
1947 1/	64	792	50,700
1948 1/	67	1,087	72,800

1/ Preliminary.

Source: General Headquarters, SCAP, Tokyo, and official statistics.

Japan's annual average prewar exports amounted to 43 million pounds, leaving an average of 72 million pounds a year for domestic consumption. Postwar exports of Japanese tea commenced in 1946, with shipments amounting to about 8 million pounds. In 1947, the volume declined to 7 million pounds but increased in 1948 to 9 million pounds.

During the war, approximately 40 percent of the total prewar area devoted to tea culture in Japan was diverted to food crop production. Tea cultivation also suffered from shortages of labor, fertilizer, and fuel. The fertilizer shortage left the tea bushes in such weakened condition that succeeding harvests were poor, both in quantity and quality. The largest tea market in Japan and scores of tea factories and other tea establishments were destroyed by bombings in 1945.

At present, the outlook for tea production in Japan is encouraging. A Five Year Plan for the increase of tea production is in effect, and provides for the planting of more than 7 thousand acres of new tea bushes each year. There is no longer a shortage of labor, and the supply of fertilizer has been greatly increased. A large number of new tea factories and warehouses have already been constructed and more are being built. Japanese horticulturists have developed a new variety of tea which they claim is superior in taste to other green teas. Total production and exports are expected to climb steadily during the next few years.

DOMINICAN REPUBLIC'S 1949-50 COFFEE PRODUCTION FORECAST HIGHER

The Dominican Republic's 1949-50 coffee crop is forecast at 300,000 bags, an increase of 20 percent above the 1948-49 production of 250,000 bags but substantially below the annual average prewar, 1935-39, production of 347,000 bags, according to the American Embassy in Ciudad Trujillo.

Favorable weather has prevailed in all coffee-growing districts during the critical flowering and fruiting periods. Domestic consumption of coffee in the Dominican Republic is currently estimated at 100,000 bags annually. It is expected, therefore, that approximately 200,000 bags of coffee from the 1949-50 crop will be available for export.

SUGAR

CUBAN SUGAR PRODUCTION DROPS 14 PERCENT

The last sugar mill in Cuba to finish grinding this year, Central Tanamo, ceased operation June 24 and brought the 1948-49 cane harvest to a close about 2 months earlier than in 1948. A preliminary report on total production of sugar now places the total at 5,763,000 short tons, compared with 6,675,000 short tons in 1948. The sugar yield in 1949 averaged slightly higher than in 1948--12.48 percent compared with 12.39 percent.

Blackstrap molasses production in the 1948-49 season totaled 292 million gallons, compared with 332 million gallons in 1947-48.

LIVESTOCK AND ANIMAL PRODUCTSNEW DANISH-U.K.
BUTTER AGREEMENT

Under the terms of a new agreement to become effective October 1, 1949, the United Kingdom has agreed to purchase Denmark's butter at approximately 48 cents per pound. The agreement covers 75 percent of the total exports of Danish butter but is not to exceed 115,000 tons. (254 million pounds). The new contract extends for 6 years with the annual price subject to change beginning October 1, 1950, with an adjustment of $7\frac{1}{2}$ percent up or down allowed each year, to be settled by negotiations.

The new butter price represents a reduction of $15\frac{1}{2}$ percent from the agreement which has prevailed since January 1, 1948. The old agreement provided for only 60 percent of total butter exports to go to the United Kingdom.

At present Denmark is producing about 300 million pounds of butter annually and is exporting about 260 million pounds in total. Prewar production averaged 400 million pounds with total exports of 328 million pounds, about 75 percent of which went to the United Kingdom.

CUBAN BEEF AND DAIRY
SUPPLIES ADEQUATE

With the rainy period well under way, seasonal improvement in Cuban pasture conditions was reflected in an increase in beef cattle marketings during June over those of a year earlier. It is reported that beef supplies, along with large imports of pork products, presently satisfy all Cuban demands for meat. As a result, the Ministry of Commerce is undertaking studies to determine advisability of reducing official meat ceilings.

Continual improvement of pastures has also resulted in increases of fresh milk supplies during June and also increases in the output of manufactured dairy products. Although a large reduction occurred in dairy product imports, present available supplies of butter and cheese exceeded current demand. The large distributors in mid-June announced the second general 10 percent decrease in wholesale prices since May 1.

PRICES FOR MEAT, BUTTER AND CHEESE
HIGHER IN U.K. - NEW ZEALAND CONTRACT

The Minister of Food of the United Kingdom has announced that an agreement has been reached on the prices to be paid New Zealand for meat, butter and cheese bought during the contract year 1949-50. In accordance with last year's 7-year agreement, the Minister of Food undertook to purchase all of New Zealand's exportable surplus of meat and

97 percent of her exportable surplus of butter and cheese until 1955, at prices which are subject to annual review.

Prices established for the 3 commodities during 1949-50 are $7\frac{1}{2}$ percent above the price which prevailed earlier. Meat prices are reported to be 83 percent above the prices paid in 1939, while the finest grade of butter will be 252s.6d. per 112 pounds, f.o.b. (45.43 cents per pound) and the finest grade of cheese 141s.6d. per 112 pounds, f.o.b. (25.46 cents per pound). Conversions were made at the rate of \$4.03 per pound sterling basis.

FRUITS, VEGETABLES AND NUTS

TURKISH REGULATIONS GOVERNING

RAISIN EXPORTS LISTED 1/

In accordance with Turkish Law No. 1705, regarding Prohibition of Adulteration of Merchandise, Control and Protection of Exports, and in conformity with the regulation published with the provisions of the supplementary Law No. 3018, the export of dried raisins from Turkey is subject to obligatory inspection and control before the raisins are shipped to foreign destinations.

Dried raisins are exported under three general classes: 1. Normal Standard Types. 2. Small berry Standard Types. 3. Special Types.

Turkish raisins are prepared for export purposes in either natural or bleached types, and in grades numbered from 7 to 12, according to quality, the highest number being the best quality. In bleached types, the amount of sulphur dioxide, permitted to remain, is fixed by a committee. In general, the amount of sulphur allowed cannot exceed 0.7 percent.

Fixation of standard types, according to color, size of grains, humidity and purity, is prepared by a committee of seven for each season:

Control Officer of the Ministry of Commerce.

Two members, chosen by the Ministry of Commerce, experienced in raisin business.

Three members, chosen by the local Chamber of Commerce, among the raisin exporters.

A member, chosen by the local Bourse, among raisin commission agents.

Control Procedure: After a lot is prepared for shipment abroad, i.e., cleaned, bleached and packed, the Inspection Office is advised by the exporter by a written application for inspection, giving all particulars regarding the shipment, such as name of exporter, the number 1/ From a report received from Philip Ernst, American Consul, Izmir, Turkey.

of the firm's export license, name of buyer, destination of goods, number of packages kind of packing, marks, type, and quantity in gross and net kilograms.

The Inspector calls on the firm and examines the prepared lot in the manipulation place. He can open as many boxes or bags as he desires until he is convinced that the lot has been prepared in accordance with the requirements of the pertinent regulations. Two samples from the lot are removed and placed in separate containers which are sealed in the presence of both the inspector and the exporter with a wax seal. They are taken to the Inspection Office for analysis which must be completed within 24 hours.

Analysis of Raisins: Four main factors are taken into consideration during the analysis. They are: 1. Color, 2. Size, 3. Humidity and 4. Purity.

1. Color: Raisins are classified under four colors:

(a). First Color: Grains are of very light bright, fresh, transparent like amber and of golden yellow color; (b). Second Color: In principle, grains are of light brown color and very meaty, dark yellow, partly reddish yellow and almost transparent; (c). Third Color: Grains are slightly transparent, meaty, lighter in color than the inferior quality raisins, just brown; (d). Fourth Color: Inferior color, grains are very hard, non-transparent, very dark brown and black. Their colors are dark and they are dried pedicels of empty raisins.

Examination of Colors: 100 grams are taken as a sample and grains are classified in accordance with the above colors. The quantity in grams under each color is multiplied by the following coefficients to find the "bad pointage" of the raisins. Then it is compared with the fixed Standard points for that type.

Coefficients of Color Points: For Standard raisins numbers: 7, 8, 9, 17, 18, 19, 20.

First Color	per gram	0
Second Color	per gram	5
Third Color	per gram	10
Fourth Color	per gram	15

For Standard raisin numbers: 10, 11, 12, 21

First Color	per gram	1
Second Color	per gram	5
Third Color	per gram	15
Fourth Color	per gram	30

2. Size of Grains: It is necessary to count the number of grains "berries" in a sample of 100 grams of raisins. Number of grains for each standard type (for 100 grams) is given in the following lists.

List of Analysis for the Natural Standard Type Raisins for 1948:

Natural Normal Standard	C O L O R					Size of grains Points 1/
	I	II	III	IV	Points	
No. 71	8	36	45	11	795	390
No. 81	19	37	38	6	655	370
No. 91	34	39	23	4	485	350
No. 101	49	44	7	-	374	330
No. 111	64	36	-	-	244	290
No. 121	82	16	-	-	172	250

Natural

Small berry Standard

No. 171	1	7	59	33	1120	930
No. 181	7	22	53	18	910	869
No. 191	24	32	33	11	635	625
No. 201	49	34	13	4	360	590
No. 211	63	35	2	-	268	495

Bleached

Normal Standard

No. 7	11	43	39	7	710	390
No. 8	21	45	30	4	585	370
No. 9	36	43	19	2	435	350
No. 10	56	39	5	-	326	330
No. 11	72	28	-	-	212	290
No. 12	88	12	-	-	148	250

Bleached

Small Berry Standard

No. 17	2	20	54	24	1000	930
No. 18	11	28	48	13	815	869
No. 19	25	39	30	6	585	625
No. 20	53	34	10	3	315	590
No. 21	72	26	2	-	232	495

1/ Per 100 grams.

Color coefficients for Standard Type Nos. 7, 8, 9, 17, 19, 20 are 0, 5, 10, 15 and for Nos. 10, 11, 12, and 21 are 1, 5, 15 and 30. Effective as of November 1, 1948.

5 percent tolerance limit is applicable.

3. Humidity: The maximum amount of humidity was fixed by the Committee for the 1948 season for Standard Type numbers 9 and inferior grades at 16 percent. The humidity in No. 10 and better grades was fixed at 15 percent.

4. Purity: Percentage of tolerance of foreign matter in exportable raisins is given below according to types;

Normal, Small berry, Natural and Bleached:

<u>Standard Type Nos.</u>	<u>Percentage of foreign matter</u>
7 - 71 - 17 - 171	.0075
8 - 81 - 18 - 181	.0075
9 - 91 - 19 - 191	.0500
10 -101 - 20 - 201	.0025

No foreign matter allowances are permitted for higher grades.

Amount of foreign matter in grams per Standard package, i.e., in wooden boxes containing 14 net kilograms of raisins:

Normal, Small berry, Natural and Bleached:

<u>Standard Type Nos.</u>	<u>Amount of Foreign Matter in Grams</u> <u>Per 14 Kilograms</u>
7 - 71 - 17 - 171	10.5
8 - 81 - 18 - 181	10.5
9 - 91 - 19 - 191	7.0
10 -101 - 20 - 201	3.5

The maximum amount of foreign matter in special types is 10.5 grams per 14 kilogram boxes.

Result of Analysis: If the result of the analysis is favorable, the Inspection Office issues a clean certificate permitting the lot to be exported. If the first analysis gives an unfavorable result, within the limits of double the accepted tolerances, then the exporting firm may protest and demand an arbitration committee to inspect and analyze the second sample held at the Inspection Office. If the exporting firm approves the unfavorable result of the first analysis, then the firm is obliged to clean the lot again and prepare it for a second inspection.

If the result of the first and the second analysis gives an unfavorable result over the limits of double the accepted tolerances, the Inspection Office prosecutes the exporting firm before a Commercial Court.

The Inspection Office after issuing the clean certificate for export, has the authority to inspect the lot on lighters or even on board ship, for the purpose of prohibiting adulteration after inspection. In such case, the Inspection Office may open 2 percent of containers and if the result differs from the first analysis, the exporting firm is prosecuted and the lot already on board is discharged from the vessel and cannot be exported.

Most foreign buyers appear to be satisfied with the inspection of raisins by the Turkish authorities and usually demand an export control certificate in their letters of credit. Although local packers protested at first against the enforcement of the laws and regulations with respect to the purity and standard types, few objections are now raised as the advantages of the control are realized.

FATS AND OILS

INDONESIAN COPRA EXPORTS IN JUNE HIGHEST SINCE PREWAR

Indonesian copra exports during June were the highest in any one month since prewar. Approximately 34,300 long tons left the country compared with 22,000 in May and 27,000 in June 1948. Exports for January-June 1949 totaled almost 165,500 tons, an increase of 59 percent over the exports for the comparable period of 1948.

Of the June exports over 23,650 tons, or 69 percent of the total, went to The Netherlands, 3,400 tons to Bizonal Germany, 3100 to the United Kingdom, 2,100 to Singapore, 1,400 to Czechoslovakia, and 500 to Canada.

INDONESIA: Copra exports, June 1949 with comparisons
(Long tons)

Country	Copra distribution				
	Average	1948 1/	Jan-June	June	
	1935-39		1949 1/	1948 1/	1949 1/
Canada.....	-	8,320	3,650	-	500
Mexico.....	12,614	-	-	-	-
United States.....	3,909	5,734	13,100	-	-
Belgium.....	8,053	8,018	4,000	-	-
Czechoslovakia.....	4,896	2,000	2,400	-	1,400
Denmark.....	72,375	4,120	-	-	-
France.....	12,748	5,937	-	-	-
Bizonal Germany.....	64,674	19,578	8,413	2,000	3,445
Italy.....	23,103	-	-	-	-
Netherlands.....	133,841	159,440	106,330	24,990	23,653
Norway.....	31,810	3,000	-	-	-
Poland.....	1,422	2,500	500	-	-
Sweden.....	6,886	11,670	-	-	-
Switzerland.....	17	6,500	1,000	-	-
United Kingdom.....	412	-	14,498	-	3,149
Japan.....	6,180	-	7,000	-	-
Singapore.....	107,285	-	2,100	-	2,100
Union of South Africa.....	-	1,600	2,500	-	-
Others.....	17,160	-	-	-	-
Total.....	507,385	2/ 238,417	2/ 165,491	2/ 26,990	2/ 34,247

1/ Preliminary.

2/ Does not include unrecorded shipments to Singapore.

Copra Board, Batavia.

Copra production in June amounted to 40,352 tons compared with the postwar record of 40,175 tons produced in May. Deliveries to oil factories the last month were 12,224 tons and stocks at the end of the month totaled 46,009 tons. June exports are expected to be about 30,000 tons. Prices were unchanged.

CHILE'S OILSEED PRODUCTION AGAIN BREAKS PRIOR RECORDS

Chile's oilseed production has reached a record high for the third successive year, according to a report from the American Embassy, Santiago. Over 58,950 short tons of oilseeds were harvested in the 1948-49 season compared with 45,300 in 1947-48, 41,500 in 1946-47 and approximately 9,000 prewar. Areas planted to sunflower seed and flaxseed were substantially higher than in 1947-48, but hempseed acreage was down slightly.

CHILE: Vegetable oilseed production, 1948-49 with comparisons

Year	Sunflower seed	Flaxseed	Hempseed
	Short tons	Short tons	Short tons
Average 1935-39	1/ 1,874	2/ 1,049	6,277
1944-45	30,920	3,840	5,355
1945-46	18,400	4,229	5,445
1946-47	32,172	4,753	4,596
1947-48	35,477	4,697	5,160
1948-49 3/	47,924	6,311	4,720
1/ 1938-39 only. 2/ 1935-36 only. 3/ Preliminary.			

American Embassy, Chile.

The rapid increase in sunflower seed production is a response to the Government policy of encouraging production of this crop by relatively high guaranteed prices. This year's outturn harvested in March and April amounted to 47,900 tons, the largest ever produced in Chile and 35 percent above last year's. Plantings increased to 101,150 acres, 58 percent above the 1947-48 acreage. The lower average yield this year is attributed principally to a local drought in the major producing Province of Linares. It is reported also that rains and high winds just before and during the harvesting season caused rather heavy seed losses in this and surrounding areas. As a result of this experience, Chile's leading oil-processing company is seeking to find and introduce sunflower seed varieties with shorter and sturdier stalks. Diminishing yields in the Provinces of most concentrated production also suggest that plantings are being extended to less productive and to poorly adapted lands whose marginal yields tend to lower average yields for the areas generally.

As Chile still does not produce sufficient oilseeds to supply local needs, the export of sunflower seed and oil still is prohibited. During 1948 also there were no imports of seed since there was then, as now, a virtual embargo on oilseed exports from Argentina, the principal source of supply.

Next to sunflower seed, hempseed is the principal native raw material for Chile's edible vegetable oil industry. Formerly considered a mere by-product of the fiber crop, most of the seed was exported for use as bird feed or for industrial oil purposes. According to the Chilean manufacturers, hempseed oil has now been recognized as a desirable edible oil and most of the current production is used for blending with sunflower seed oil. Anticipated seed production is 4,700 tons, representing a decrease of 8.5 percent from the 5,160 tons harvested the past year. Exports of hempseed are prohibited.

The only other edible oils produced from Chilean raw materials are small quantities of olive oil and grape seed oil.

Chile is advancing rapidly toward its goal of complete self-sufficiency in edible oils. It is the intention of the Government and the oilseed industry to increase production sufficiently to eliminate all necessity for imports of oilseeds and vegetable oils by the end of 1950. Should there be another large increase in sunflower seed production in 1949-50, this goal may be attained.

The 1948-49 flaxseed harvest is estimated at 6,300 tons (225,400 bushels) from 17,200 acres. This represents an increase of 34 percent over the 1947-48 outturn and is a record output for this country.

Exports of flaxseed and linseed oil, as in the case of other oilseeds and oils, are prohibited by the Government. Although Chile's production is far below the potential requirements of the country's paint industry, imports have been very small in the last 2 years owing to the high prices asked by Argentina, the normal source of supply.

PAKISTAN HARVESTS SMALLER SESAME CROP

Pakistan produced 32,500 short tons of sesame seed from 177,000 acres during the 1948-49 season, according to the final official forecast. This is a decrease of 17 percent from the final revised figure of 39,200 tons harvested in 1947-48. The decline was due to unfavorable weather conditions at the time of sowing.

Sesame is used in Pakistan largely for mixture with other edible oils, such as cottonseed, peanut, or rapeseed and mustard seed oils for the manufacture of vanaspati (vegetable cooking grease) in which it is used as a hardening agent.

It is estimated that Pakistan is able to produce only about 6,000 tons of the country's 8,000-ton requirements. Licenses are not issued for the export of any type of oilseeds except cottonseed.

PHILIPPINE COPRA
EXPORTS DROP IN JUNE

The following table shows copra exports from the Philippine Republic, June 1949 with comparisons:

PHILIPPINE REPUBLIC: Copra exports, June 1949 with comparisons
(Long tons)

Country 1/	Copra distribution				
	Average	1948 2/	Jan-June	June	
	1935-39		1949 2/	1948 2/	1949 2/
United States (total)...	206,801	364,102	130,883	26,768	26,874
Atlantic Coast,...	-	61,618	18,130	2,876	3,174
Gulf Coast,.....	-	69,320	16,091	3,271	1,636
Pacific Coast,....	-	233,164	96,662	20,621	22,064
Canada,.....	-	17,049	2,750	1,000	500
Mexico,.....	7,260	-	-	-	-
Panama Canal Zone,....	-	707	775	-	-
Panama, Republic of,...	-	1,357	209	-	-
Colombia,.....	-	6,995	-	-	-
Venezuela,.....	-	3,868	1,133	-	-
Austria,.....	-	6,000	-	-	-
Belgium,.....	10	1,000	1,750	-	-
Denmark,.....	6,025	26,536	12,000	7,027	1,000
France,.....	24,589	65,912	23,757	13,393	-
Bizonal Germany,.....	7,309	17,250	22,000	-	2,000
Italy,.....	4,079	21,900	8,218	-	-
Netherlands,.....	28,415	8,949	4,050	-	-
Norway,.....	91	9,276	6,000	-	1,500
Poland,.....	-	31,749	1,500	-	-
Sweden,.....	4,183	4,748	6,622	-	2,772
Switzerland,.....	-	1,000	-	-	-
Japan,.....	1,047	24,339	6,075	-	-
Syria,.....	-	1,443	-	-	-
Egypt,.....	1,271	-	-	-	-
Union of South Africa,...	-	-	1,254	-	-
Others,.....	8,758	11,450	3/ 10,676	5,300	102
Total,.....	299,838	625,630	239,652	53,488	34,748

1/ Declared destination. 2/ Preliminary. 3/ 6,000 to Trieste; 2,000 to Algeria; 2,474 to Palestine; and 202 to others.

American Embassy, Manila.

U. S. IMPORTS OF SPECIFIED VEGETABLE OILS AND OILSEEDS

The following table shows United States imports of specified vegetable oils and oilseeds during January-May 1949 with comparisons:

UNITED STATES: Imports 1/ of specified oils and oilseeds,
January-May 1949 with comparisons

Commodity	Unit	Average		1947	1948 2/	January-May	
		1935-39				1948 2/	1949 2/
Babassu kernels	1,000 lbs.	3/		22,233	61,929	26,116	29,562
Babassu oil	" "	4/ 346		1,747	3,082	1,224	1,468
Castor-beans	" "	132,924		276,807	302,511	123,628	124,732
Castor oil	" "	226		6,595	2,441	1,135	2,199
Flaxseed	" bu.	18,470		282	1,066	491	147
Linseed oil	" lbs.	713		117,326	3,959	2,942	1,296
Copra	Short tons	230,000		677,660	447,743	225,218	123,800
Coconut oil	1,000 lbs.	342,717		23,559	109,096	39,161	34,977
Oiticica oil	" "	4/ 7,673		8,471	17,558	6,020	4,469
Olive oil							
Edible	" "	62,811		11,250	36,093	14,231	8,187
Inedible	" "	35,448		248	9,775	7,306	128
Palm oil	" "	321,482		63,212	63,328	26,530	24,858
Sesame seed	" "	58,425		9,479	22,606	12,252	5,738
Tea-seed oil	" "	13,159		6,377	3,601	1,116	36
Tucum kernels	" "	5/ 9,810		16,887	11,619	8,292	15,542
Tung oil	" "	123,190		121,564	133,282	54,603	27,770

1/ Imports for consumption.

2/ Preliminary.

3/ Not separately classified in Foreign Commerce and Navigation.

4/ Average of less than 5 years.

5/ 1939 only.

Compiled from official sources.

CUBAN LARD AND TALLOW SITUATION
SECOND QUARTER 1949 1/

Lard consumption in Cuba during the second quarter of 1949 probably averaged over 8 million pounds per month. This helped dealers decrease burdensome inventories somewhat, but imports of about 7 million pounds monthly prevented a really effective drain on total stocks. Lard imports in the second quarter are estimated at about 22.5 million pounds compared with 41.2 million in the first quarter. Dealers' stocks accumulated by the beginning of April precluded continuance of the previous high rate of imports, and necessitated a return to a steadier continuous supply consistent with consumption.

Gross arrivals of lard from January 1 to June 1, as indicated by ships' manifest data, totaled about 55 million pounds compared to the 26-31 million imported in the same 5 months' period of the last 2 years. This partially indicates the effect of release from trade controls in February 1949, and also reflects the fact that a part of the large imports in February and March this year was used to restore dealers' stocks to normal or higher levels.

The Cuban lard market in the second quarter of this year was quiet as far as total trading was concerned while demand and prices decreased slowly. Competition for larger individual shares of the distribution pattern was strong, however. Disappearance of lard into retail outlets continued during the second quarter at the high rate of 8 to 8.5 (Revised) million pounds monthly. The buyers' market evolving from the over-stocked condition of distributors since March 1, resulted in low retail prices and along with seasonal demand during the sugar harvest season was responsible for the high consumption rate.

Cuban lard stocks, which on April 1 totaled about 23.5 million pounds or nearly a 3 months' supply, decreased slowly and irregularly during the second quarter. On June 1 they totaled about 21 million pounds, but because consumption remained high and dealers were attempting to liquidate surplus inventories, stocks at the end of June probably were well below 20 million pounds.

Lard imported in tank-car lots during the second quarter cost from 14 to 16 cents per pound c.i.f. Havana, while the diminishing quantities shipped pre-packed (37 pound tins) averaged about 2 cents higher. Wholesale prices fluctuated quite narrowly between 17 and 19 cents per pound for lard in 100 pound tins with 37 pound tins commanding from one-half to 1 cent per pound premium.

1/ Based in part on a report by Lawrence B. Elsbernd, Third Secretary of the Embassy, Havana.

Importers and wholesalers of lard are also engaged in strong competition. Price-cutting and product-adulteration (with tallow and or rendered pork fat) are ordinarily practiced by many firms accustomed to high wartime and postwar revenue from their operations. Despite this, the burdensome stocks have been somewhat reduced since April and the lard trade is becoming more normal. Large wholesale distributors with facilities to import in tank-car lots and pack the lard in Cuba received well over 80 percent of the imported lard in May, compared to about 35 percent when exports from the United States were controlled.

Cuba's lard import requirements during the third quarter are expected to be 18 million pounds. The large stocks in dealers' hands now and a decreasing consumption rate almost preclude lard importations for immediate use in excess of 18 million pounds during the coming quarter. Importers who are anticipating further declines in United States prices this fall are not likely to buy now for speculative purposes.

Imports of tallow during the second quarter totaled an estimated 5.3 million pounds or slightly less than in the first quarter. Imports were heavier in April and May than in June because in the latter month some plants were preparing to cut operations for a vacation and repair period and consequently slowed the accumulation of raw materials. The transportation pattern for tallow imports has returned to normal since United States export controls were lifted early this year. Before that time much tallow was shipped in barrels and tubs by small exporters in several countries, whereas more recently all tallow was arriving in tank cars from the United States.

Cuban soap makers find their raw material supply situation completely normal. Tallow at reasonable prices is readily available from the United States and local purchases can be supplemented at will.

Soap producers have been using tallow at an average rate of 3 to 3.2 million pounds per month during the last quarter. This was nearly 10 percent more than in the preceding 3 months. Soap production rates recently have been at their highest for this year, because plants have been building stocks to last over the vacation and repair periods of the summer. Recent consumption of tallow has been estimated at from 3.3 to 3.4 million pounds per month.

Tallow supplies on hand in Cuba for soap-making fluctuated mildly during the quarter as large shipments arrived at uneven intervals, but recently have been falling steadily as plants preparing for voluntary temporary shut-downs have cut raw material inventories. June 30 stocks probably totaled from 2 to 2.5 million pounds which at curtailed consumption rates will likely last through July.

Tallow prices in Cuba have been regulated completely by changes in the major United States markets. In early April the c.i.f. Havana quotation for prime tallow in tank-car lots fell to near 6 cents per pound, but had since climbed slowly to almost 7 cents. Local soap makers continued their policy of accepting all domestic tallow at a price equivalent to the landed cost of imported materials of the same grade.

Cuban soap makers claim that third-quarter production schedules will call for larger tallow supplies. Despite the increase exported in domestic tallow production during the coming months, imports of tallow probably will average 2 million pounds per month in the July-September period.

COTTON AND OTHER FIBER

BELGIAN COTTON TEXTILE INDUSTRY RECOVERS 1/

The Belgian cotton textile industry after a year-end decline in activity recovered in March, April, and May of 1949 to a level equal to that of 1947 and 1948. For the first 7 months of the current season, however, consumption was consistently lower than in the corresponding months of the previous year, and for the entire year 1948-49 has been estimated at only about 380,000 bales (480 lbs. net) as compared to 421,000 during the 1947-48 season.

Cotton textile production has been above the pre-war level for much of the postwar period. The drop in the early part of the current season was due in part to a saturation of the domestic market and in part the inability to expand textile exports due to a shortage of acceptable currencies among the traditional importers of Belgian cotton textiles. This condition has now been ameliorated by the operation of ECA's drawing rights plan.

In prewar years, Belgium exported 40 to 50 percent of its cotton textile production. However, in 1947 and 1948 exports failed to reach prewar levels and the increased production was absorbed by the domestic market. During 1948 the domestic market became saturated, and to maintain production at the 1947-48 rate it became imperative to revive cotton textile exports, at a time when due to payment difficulties, numerous countries were forced to reduce their imports of cotton textiles. Exports of cotton products from Belgium actually declined from a monthly average of 4.3 million pounds in the first quarter of 1948 to 3.6 million pounds per month in the fourth quarter of last year. This compares with a monthly average export of cotton textiles in 1938 of 5.9 million pounds.

1/ Based on reports of Jerome T. Gaspard, Agricultural Attache, American Embassy, Brussels.

There was a sharp recovery of cotton textile exports during March, April, and May and in these 3 months exports climbed to an average of 45 percent above the pre-war level. In May, yarn exports amounted to one-third of cotton yarn production and cotton fabric exports were nearly half the cotton fabric production.

Raw cotton imports have been maintained at a high level during the last few months and stocks have risen from the low point of last October to a level now equal to about 3 months' supply. Although Belgian imports of raw cotton have not so far been financed through ECA the United States has supplied well over half this market during the first 5 months of 1949. During the first 10 months of the 1948-49 season the United States has exported 135,000 bales to Belgium as compared to only 52,493 bales exported during the entire 1947-48 season.

U. S. COTTON EXPORTS CONTINUE AT HIGH LEVEL

Exports of cotton from the United States during May 1949 totaled 484,000 bales (of 500 pounds gross weight) making a 10-month 1948-49 total of 4,200,000 bales. The decline in May from the unusually large figure of 612,000 bales exported in April is attributed to suspension of shipments to China and some reduction in exports to the major cotton importing countries of Europe, except the United Kingdom.

Preliminary reports on movements of cotton in June and early July indicate that the total for 1948-49 will reach at least 4,800,000 bales of 500 pounds. This amount will be the largest for any year since 1940-41 when 6,501,000 bales were exported.

UNITED STATES: Exports of cotton by countries of destination; average 1934-38, annual 1945-47, Aug.-May 1947-48 and 1948-49.

(Bales of 500 pounds gross)

Country	Year beginning August 1				Aug.-May	
	Average	1945	1946	1947	1947-48	1948-49
	1934-38	1945	1946	1947	1947-48	1948-49
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Austria.....	0	0	4	3	0	52
Belgium-						
Luxemburg.....	147	75	182	53	49	135
Czechoslovakia..	65	70	101	22	21	32
Denmark.....	35	0	0	3	0	26
Finland.....	35	17	23	27	16	32
France.....	589	793	393	216	197	567
Germany.....	579	6	200	232	220	443
Greece.....	2	31	10	1	1	7
Italy.....	430	515	460	70	48	530
Netherlands.....	86	48	116	35	34	162
Norway.....	13	1	5	3	3	14
Poland & Danzig.	224	104	49	50	50	80
Spain.....	101	161	42	3	1	61
Sweden.....	93	2	23	6	6	1/
Switzerland.....	2	27	20	3	2	38
United Kingdom..	1,097	296	486	272	263	663
Yugoslavia.....	10	94	61	0	0	33
Other Europe....	2/ 85	4	0	1	1	3/ 64
Total Europe..	3,593	2,244	2,175	1,000	914	2,939
Canada.....	261	321	320	138	124	266
Chile.....	4/	0	0	1/	1/	53
Colombia.....	17	0	1	1	0	42
Cuba.....	7	6	34	13	13	6
India.....	44	1/	0	21	0	3
China.....	55	719	569	303	181	270
Japan.....	1,271	365	511	466	416	504
Fr. Indo-China..	4/	3	6	4	4	8
Korea.....	4/	0	0	59	59	31
Australia.....	5	13	9	11	11	0
Other countries..	43	7	17	9	9	71
Total.....	5,296	3,678	3,642	2,025	1,731	4,193

1/ Less than 500 bales. 2/ Includes 39 Portugal, 23 Soviet Union.

3/ Includes 28 Soviet Union, 14 Rumania, 6 Bulgaria, 6 Hungary.

4/ If any, included in other countries.

Compiled from official records of the Bureau of the Census.

COTTON-PRICE QUOTATIONS
ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, and the
U. S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unif of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		Kantar			
Ashmouni, Good.....	7-14	99.05 lbs.	Tallari	44.75	37.32
Ashmouni, F.G.F.....	"	"	"	42.00	35.03
Karnak, Good.....	"	"	"	(not quoted)	
Karnak, F.G.F.....	"	"	"	(not quoted)	
<u>Bombay</u>		Candy			
Jarila, Fine.....	"	784 lbs.	Rupee	620.00	23.86
Broach, Fine.....	"	"	"	650.00	25.01
<u>Karachi</u>		Maund			
4F Punjab, S.G., Fine....	7-13	82.28 lbs.	"	87.00	31.90
289F Sind, S.G., Fine....	"	"	"	93.00	34.10
289F Punjab, S.G., Fine....	"	"	"	93.00	34.10
<u>Buenos Aires</u>		Metric ton			
Type B.....	7-14	2204.6 lbs.	Peso	4000.00	54.03
<u>Lima</u>		Sp. quintal			
Tanguis, Type 5.....	7-13	101.4 lbs.	Sol	380.00	35.81
Pima, Type 1.....	"	"	"	440.00	41.47
<u>Recife</u>		Arroba			
Mata, Type 4.....	7-14	33.07 lbs.	Cruzeiro	200.00	32.90
Sertao, Type 5.....	"	"	"	190.00	31.26
<u>Sao Paulo</u>					
Sao Paulo, Type 5.....	"	"	"	193.00	31.75
<u>Torreón</u>		Sp. quintal			
Middling, 15/16".....	"	101.4 lbs.	Peso	197.00	22.46
<u>Houston-Galveston-New</u>					
Orleans av. Mid. 15/16"...	"	Pound	Cent	XXXXX	31.73

Quotations of foreign markets reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

GRAINS, GRAIN PRODUCTS AND FEEDS

(Continued from Page 49)

AUSTRALIAN WHEAT
PROSPECTS FAVORABLE

Prospects for Australia's current season wheat crop are generally favorable, according to the American Consulate at Sydney. Seeding of the crop was completed by mid-June in most areas, and though no official estimate had been issued, it was believed that the total acreage would show some increase over the 13.0 million acres seeded to wheat for last year's near-record crop.

Dry conditions over New South Wales, Victoria, and South Australia in April were relieved by widespread rains in May and June permitting seeding to be made under favorable conditions and providing sufficient moisture for early-sown wheat there. Conditions in Queensland were less favorable, with more rains required for the wheat sections of that State at the time of the report. Dryness in Western Australia held up the main part of the seeding until early June, when good general rains were received in that area also.

Acreage in New South Wales, the largest producing State, was indicated to be about 5 percent larger than last year's above-average acreage, though smaller than the large acreage in 1947-48. Crops had germinated well and prospects were said to be very good.

In Victoria, preliminary estimates place the acreage about 10 percent above that of 1948-49. The wheat acreage there has risen significantly above the prewar level. In contrast, acreage in South Australia has been reduced considerably, reaching the low point of 2.1 million acres last year. Some expansion was reported this year as a result of growers' dissatisfaction with lower returns from barley and a consequent shift to wheat among many growers.

A record area was prepared for wheat in Queensland. Since conditions were relatively unfavorable for seeding, however, the full area may not have been sown. Early-sown wheat there had made good growth at latest report. No information is available concerning the size of the acreage in Western Australia.

The 1948-49 wheat crop is now estimated at about 190 million bushels, a slight reduction from earlier estimates. Negotiations for the sale of 60 million bushels to the United Kingdom were completed in early May. Under the agreement about 35 million bushels will be shipped as wheat and 25 million as flour.

CANADA'S WHEAT YIELDS
REDUCED BY DROUGHT

A good wheat crop is expected in Manitoba, but below-average yields in Saskatchewan and Alberta, according to an official report of July 12. The two latter provinces last year accounted for 78 percent of Canada's total wheat production, stressing the importance of this area in the Country's outlook.

Drought has so adversely affected crops over wide areas of Saskatchewan that deterioration is general except in north central and northern districts, where rains improved the situation. Immediate rains were required to prevent further deterioration in east central and south central districts, but the report stated that little recovery could be expected in the southwest districts.

Rain was reported to be urgently needed in Alberta. Crop conditions there were generally poor over a large area, with most favorable prospects in the southwest and Peace River district.

Though crops were generally making good progress in Manitoba, rain was needed in parts, particularly in southeastern and south central areas. An outbreak of grain aphids in southwest Manitoba has damaged late coarse grains.